

Message Text

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TO AMEMBASSY LONDON IMMEDIATE
AMEMBASSY BONN
INFO USMISSION NATO IMMEDIATE

S E C R E T STATE 039011

E.O. 11652: GDS

TAGS: PFOR, US, MIL

SUBJECT: MESSAGES FROM SECDEF BROWN

1.EMBASSIES BONN AND LONDON REQUESTED DELIVER FOLLOWING
LETTERS FROM SECDEF BROWN TO DEFENSE MINISTERS LEBER AND
MULLEY. MESSAGES SHOULD NOT RPT NOT BE DELIVERED PRIOR TO
NOON, EST, FEBRUARY 21, AT WHICH TIME CONGRESSIONAL
LEADERSHIP WILL BE BRIEFED.

2.BEGIN TEXT. DEAR MR. MINISTER:

ON FEBRUARY 22, PRESIDENT CARTER WILL FORWARD TO THE CON-
GRESS HIS PROPOSED AMENDMENTS TO THE FY 1978 FEDERAL BUDGET.
THEY ARE BEING PRESENTED TO THE CONGRESSIONAL LEADERSHIP
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TODAY. THE PRESIDENT HAS DIRECTED THAT I HIGHLIGHT FOR YOU
THE MAJOR MODIFICATIONS IN THE DEFENSE BUDGET HE WILL PRO-
POSE, AND SHARE WITH YOU THE UNDERLYING RATIONALE AND
SENSE OF PRIORITIES THEY REFLECT.

THE RECOMMENDED BUDGET AMENDMENTS INCLUDE ADDITIONAL EX-
PENDITURES TO IMPROVE THE COMBAT READINESS AND REINFORCE-

MENT CAPABILITY OF AMERICAN FORCES AS WELL AS DEFERRALS AND SLOW-DOWNS TO PERMIT TIME FOR ORDERLY REVIEW OF BASIC POLICY ISSUES OR TO PROVIDE MORE REALISTIC PROGRAM SCHEDUL-

ING. WE WILL PROPOSE DELETING OUTRIGHT A FEW PROGRAMS THAT WOULD CONTRIBUTE ONLY marginally TO REAL MILITARY EFFECTIVENESS. THE RESULT OF THE ACTIONS WE WILL RECOMMEND WILL BE A SAVINGS OF ABOUT \$2.8 BILLION FOR FY 78 IN OBLIGATIONAL AUTHORITY COMPARED WITH THE BUDGET SUBMITTED TO CONGRESS IN JANUARY BY PRESIDENT FORD. IN ABSOLUTE TERMS, THE RESULTING \$120 BILLION BUDGET REPRESENTS 3 PERCENT REAL GROWTH IN OBLIGATIONAL AUTHORITY AND 5 PERCENT REAL GROWTH IN EXPENDITURES OVER FY 1977.

THE AMENDMENTS WHICH WE WILL FORWARD TO THE CONGRESS REFLECT, FOREMOST, OUR STRONG COMMITMENT TO IMPROVING THE COMBAT READINESS AND EFFECTIVENESS OF OUR GENERAL PURPOSE FORCES (GPF) AND ENHANCING OUR ABILITY RAPIDLY TO REINFORCE NATO FORCES. IN THAT CONNECTION, PRESIDENT CARTER WILL PROPOSE ADDITIONAL EXPENDITURES TOTALLING APPROXIMATELY \$600 MILLION TO IMPROVE EQUIPMENT READINESS, INCREASE PRE-POSITIONED STOCKS IN EUROPE, AND ACCELERATE THE AIRCRAFT SHELTER CONSTRUCTION PROGRAM IN EUROPE, THE CIVIL RESERVE AIR FLEET MODERNIZATION, AND OTHER URGENT CONSTRUCTION PROGRAMS. THE NET EFFECT OF THESE PROPOSED BUDGET AMENDMENTS WOULD BE TO STRENGTHEN AMERICAN MILITARY CAPABILITIES TO RESPOND RAPIDLY AND EFFECTIVELY IN THE EVENT NATO WERE THREATENED.

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PRESIDENT CARTER WILL RECOMMEND DEFERRALS AND PROCUREMENT REDUCTIONS IN SEVERAL OTHER MAJOR PROGRAM AREAS. WITH RESPECT TO STRATEGIC FORCES, THE MODIFICATIONS ARE PRIMARILY DESIGNED TO ADJUST THE PACE OF DEVELOPMENT AND ACQUISITION OF OUR FOLLOW-ON, STRATEGIC PROGRAMS TO AN EFFICIENT LEVEL WHILE WE EXAMINE TEST RESULTS AND THE POSSIBILITY OF FUTURE ARMS LIMITATION AGREEMENTS. THESE MODIFICATIONS ARE FULLY CONSISTENT WITH OUR COMMITMENT TO MAINTAINING AN UNQUESTIONABLY CREDIBLE BROAD-SPECTRUM NUCLEAR DETERRENT.

WE PLAN TO DEFER FULL-SCALE ENGINEERING DEVELOPMENT OF THE M-X UNTIL FY 79 WHILE CONTINUING ADVANCED DEVELOPMENT WORK ON ALTERNATIVE COMPONENTS, DEPLOYMENT OPTIONS, AND COST TRADE-OFFS. WE PROPOSE TO SLOW B-1 PROCUREMENT FROM EIGHT TO FIVE IN FY 78 PENDING FURTHER EVALUATION OF SYSTEM REQUIREMENTS.

WE WILL RECOMMEND A NUMBER OF REDUCTIONS FOR TACTICAL PROGRAMS, FOR REASONS RANGING OVER CHANGES IN QUANTITATIVE

REQUIREMENTS, ALTERNATIVE WAYS OF SATISFYING THE OPERATIONAL REQUIREMENT, REDUCTION OF TECHNOLOGICAL RISK BY SLOWING PRODUCTION WHILE INCREASING R&D, AND ADJUSTING FINANCING TO ORDERLY PRODUCTION CONSIDERATIONS.

WE PROPOSE VARIOUS ADJUSTMENTS IN HELICOPTER, OTHER AIRCRAFT, COMMUNICATION AND ELECTRONICS, AND VARIOUS ARMY, NAVY, AND AIR FORCE EQUIPMENT PROGRAMS ON THESE GROUNDS. WITHIN THE TACTICAL AIR FORCE, PRESIDENT CARTER WILL BE RECOMMENDING A STRETCH-OUT IN F-15 PROCUREMENT BY SLOWING PRODUCTION FROM 108 A YEAR TO 78. THIS WILL PROVIDE A GOING PRODUCTION BASE FOR A LONGER TIME, ALLOWING US TO CONSIDER WHAT TOTAL F-15 BUY IS APPROPRIATE FOR TACTICAL USE AND WHETHER F-15S ARE NEEDED FOR CONUS AIR DEFENSE.

THIS WILL NOT AFFECT THE SCHEDULE FOR DEPLOYMENT OF F-15S TO EUROPE, SINCE THOSE AIRCRAFT HAVE ALREADY BEEN PRO-
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CURED.

WE WILL PROPOSE REDUCING ADDITIONAL AWACS PROCUREMENT FROM 6 TO 3 IN FY 78 TO PROVIDE MORE REALISTIC PROGRAMMING, GIVEN THE CURRENT UNCERTAINTIES AS TO THE NUMBER NEEDED FOR THE FUTURE US CONUS AIR DEFENSE FORCE. AS YOU KNOW, 19 AWACS AIRCRAFT HAVE ALREADY BEEN PROGRAMMED FOR FY 77 AND PRIOR YEARS. THIS CONUS AIR DEFENSE ISSUE WILL BE RESOLVED OVER THE COURSE OF THE NEXT YEAR. THE SLOW-DOWN IN ADDITIONAL PROCUREMENT FOR THE USAF WILL HAVE NO IMPACT ONE NATO AWACS PROGRAM SINCE THE PRODUCTION LINE REMAINS OPEN TO ACCOMMODATE THE NATO REQUIREMENT WHICH WE CONTINUE TO SUPPORT FULLY.

(INSERT FOR UK LETTER ONLY: LET ME ALSO TAKE THIS OPPORTUNITY TO TELL YOU HOW MUCH WE APPRECIATE THE FORBEARANCE YOU AND YOUR GOVERNMENT HAVE DISPLAYED CONCERNING THE TIMING OF FURTHER NEGOTIATIONS ON NATO AEW. WE FULLY APPRECIATE THE TIME CONSTRAINTS FACING YOU. I REMAIN HOPEFUL THAT WE CAN ACHIEVE A SUFFICIENT DEGREE OF FIRM CONSENSUS BY ALLIED GOVERNMENTS TO ENABLE YOU TO AGREE TO SOME SHORT FURTHER DELAY BEFORE NAILING DOWN A FINAL AGREEMENT. AS I TOLD AMBASSADOR RAMSBOTHAM RECENTLY, I HAVE WRITTEN GEORG LEBER ABOUT THE PROBLEM AND I HOPE WE WILL BE ABLE TO MAKE SOME PROGRESS SOON WITH OUR GERMAN COLLEAGUES.)

INsofar AS NAVAL FORCES ARE CONCERNED, THE PRESIDENT WILL PROPOSE TO THE CONGRESS SEVERAL REDUCTIONS TO THE FY 78 BUDGET FOR SHIP CONSTRUCTION. THESE INCLUDE DEFERRAL OF ONE NUCLEAR-POWERED SUBMARINE AND TWO FRIGATES SO AS TO

OVERCOME CURRENT BACKLOGS IN THE CONSTRUCTION PROGRAM, AND CANCELLATION ON COST-EFFECTIVENESS GROUNDS OF THE NUCLEAR STRIKE CRUISER. THE DEFERRALS AND CANCELLATION WILL ENABLE US TO CONTINUE ESSENTIAL MODERNIZATION OF OUR FORCES, WHILE SCHEDULING PROGRAMS TO ENSURE THAT WE RECEIVE THE FULL SECRET

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MEASURE OF INCREASED EFFECTIVENESS FOR THE COSTS OF NEW

EQUIPMENT AND TO CORRECT CURRENT DEFICIENCIES IN THE SHIPBUILDING PROGRAM. THE PRESIDENT'S BUDGET AMENDMENTS ALSO INCLUDE A RESTRUCTURING OF THE PATROL HYDROFOIL MISSILE (PHM) PROGRAM, CANCELLING THE CONVERSION OF A SUPPORT SHIP IN THE ABSENCE OF A DEFINITIVE DEPLOYMENT CONCEPT. THE PHM PROGRAM ITSELF WILL BE REVIEWED FURTHER TO FOCUS ON FURTHER DEVELOPMENT OF THE HYDROFOIL CONCEPT AND TACTICS.

SEVERAL DECISIONS AFFECTING TACTICAL NUCLEAR SYSTEMS ALSO WILL BE OF SPECIAL INTEREST TO YOU. WE HAVE DECIDED TO EMPHASIZE FURTHER RESEARCH AND DEVELOPMENT OF A GROUND-LAUNCHED CRUISE MISSILE (GLCM) WHILE DEFERRING FOR ONE YEAR INITIATION OF FULL SCALE DEVELOPMENT OF THE ANTI-SHIP VERSION OF THE TOMAHAWK CRUISE MISSILE WHICH WOULD BE CONVENTIONALLY ARMED. OUR TARGET DATE FOR BEGINNING FULL-SCALE DEVELOPMENT ON THE GLCM IS FY 79.

SECOND, WE HAVE DECIDED TO CANCEL THE US PROCUREMENT OF THE NON-NUCLEAR LANCE BECAUSE OF THE AVAILABILITY OF EXISTING AND PLANNED US AIR FORCE SYSTEMS TO BETTER PERFORM THESE MISSIONS. THE BULK OF THE SAVINGS WILL BE APPLIED TO SPARES FOR THE NUCLEAR MISSILES. OUR CANCELLATION NEED NOT AFFECT NATO PROCUREMENT OF THE NON-NUCLEAR LANCE SINCE THAT PROGRAM IS FUNDED SEPARATELY.

WE WILL, OF COURSE, BE CONTINUING TO TAKE A CAREFUL LOOK AT OUR DEFENSE ESTABLISHMENT FROM BOTH POLICY AND EFFICIENCY PERSPECTIVES. AS A PART OF THAT EFFORT, PRESIDENT CARTER HAS INITIATED A MAJOR REVIEW OF US MILITARY POSTURE AND THE US FOREIGN POLICY AND NATIONAL SECURITY OBJECTIVES WHICH IT SUPPORTS. THIS REVIEW SHOULD BE COMPLETED THIS SUMMER PRIOR TO THE FINAL PREPARATION OF THE FY 79 BUDGET AND WILL BE A MAJOR FACTOR IN ITS DEVELOPMENT. WE SHALL SECRET

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CONSULT WITH YOU ON THE CONCLUSIONS OF THIS REVIEW AND ANY

MAJOR NEW DEFENSE POSTURE INITIATIVES WHICH EMERGE FROM IT.
WE SHALL BE IN TOUCH WITH YOU AND YOUR STAFFS AS WE PRO-
CEED IN THIS PROCESS.

BY ALL THESE MEASURES, WE SEEK FURTHER TO IMPROVE THE WAR-
FIGHTING CAPABILITIES AND READINESS OF US FORCES, AND
THEREBY ENHANCE THE EFFECTIVENESS OF THE ALLIANCE'S DE-
TERRENT. DESPITE THE ECONOMIC DIFFICULTIES THAT AFFECT
EVERY NATO COUNTRY, WE IN THE ALLIANCE CLEARLY HAVE THE
MANPOWER, RESOURCES, AND TECHNOLOGICAL CAPABILITY TO
STAY THE COURSE WITH OUR POTENTIAL ADVERSARIES FOR AS LONG
AS MAY BE NECESSARY. AS VICE PRESIDENT MONDALE SAID IN
BRUSSELS, THE UNITED STATES LOOKS TO ITS ALLIES TO JOIN

WITH US IN IMPROVING NATO'S DEFENSE FORCES TO THE LIMIT OF
INDIVIDUAL ABILITIES IN ORDER TO PROVIDE A DEFENSE FULLY
ADEQUATE TO OUR NEEDS.

I HAVE SENT A SIMILAR LETTER ON THESE BUDGET CHANGES TO
(UK/FRG) DEFENSE MINISTER (MULLEY/LEBER). SECRETARY OF
STATE VANCE IS NOTIFYING THE UK AND FRG FOREIGN MINISTERS
AND ON BOTH HIS AND MY BEHALF NATO SECRETARY GENERAL LUNS.
END TEXT.
HARTMAN

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